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ZNR UUUUU ZZH
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FM AMEMBASSY BUDAPEST
TO RUEHC/SECSTATE WASHDC 8985
INFO RUEHZL/EUROPEAN POLITICAL COLLECTIVE

UNCLAS SECTION 01 OF 02 BUDAPEST 000748

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E.O. 12958: N/A
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SUBJECT: HUNGARY'S ELECTIONS: SZDSZ BEATS EXPECTATIONS IN
ROUND ONE (C-RE6-00145)

REF: STATE 22644

Summary

¶1. (SBU) On April 9, the liberal Alliance of Free Democrats (SZDSZ) made a strong showing in the first round of Hungary's national elections, exceeding both current expectations and its 2002 performance. As a result, it appears poised to remain in government alongside its current partner, the Hungarian Socialist Party (MSZP). Wasting no time, the SZDSZ and MSZP parties pledged to cooperate in 58 individual constituencies by strategic withdrawals of their respective candidates in each other's favor. If the strategy pays off, much horse trading remains to be done for key cabinet spots and in this fall's local elections following the second-round vote on April 23. Over the next two weeks, however, the two parties must coax enough supporters back to the polls to ensure victory.

An Impressive Feat

¶2. (SBU) Against many analysts' predictions that the SZDSZ might fall out of Parliament, the party bettered its 2002 performance by more than a percentage point, finishing with 6.5 percent of the vote. That strong performance may be attributed to a successful mobilization campaign, a high turnout, and opposition FIDESZ's tactical errors. Already stronger in Budapest than in rural districts, SZDSZ saw its support jump from 9.5 percent to 12.3 in the capital. Analysts also credit MSZP "cross-over" votes for SZDSZ in round one's party-list voting. Though not officially endorsed by party leadership, MSZP party loyalists have long acknowledged in private that 1) the MSZP was not likely to win an outright majority, and 2) the SZDSZ would need help from MSZP voters to scale the five-percent hurdle to entering Parliament and continue in the current coalition. SZDSZ's achievement is also noteworthy in that it expanded its base despite its incumbent position. (Note: In every election since 1990, Hungarian voters have overturned the incumbent government.)

MSZP and SZDSZ: Fast Friends

¶3. (SBU) Prime Minister Ferenc Gyurcsany (MSZP) and SZDSZ President Gabor Kuncze wasted no time forging an agreement to support each other's second-round races in 58 key contests, announcing the deal at a joint rally just one day after the conclusion of round one. Kuncze agreed to withdraw SZDSZ

candidates in 55 races, throwing the party's support to MSZP in all but three of the races where the SZDSZ candidate finished in third place or better. (Note: The Socialist candidate will withdraw in three other races, including Kuncze's own district, which he has won with MSZP support in every election since 1990. If he wins on April 23, Kuncze will become the only MP to serve continuously since the democratic transition.) In public statements on April 10, senior SZDSZ party member Ivan Peto clarified that SZDSZ cooperation is contingent on firm promises to withdraw MSZP candidates from many mayoral races in the fall and, presumably, to seat SZDSZ members in various ministries. Both parties agree that consolidating ministries must be a priority in the new term, and the Free Democrats are no doubt jockeying for key cabinet posts to advance their health care, economic and education campaign goals under a new system.

Clever Campaign Lifts Free Dems

14. (SBU) The SZDSZ ran a clever campaign that played to their strengths. Knowing that they were never likely to draw mass support, the Free Democrats opted for pithy, low-cost, mass-media blitzes, bolstered by Internet-based initiatives designed to show liberal principles as the way of the future. At a recent campaign stop, Kuncze remarked to Emboffs that the plan to differentiate themselves from the MSZP in the early stages, and "unite" just prior to the election, appears to have paid off. (Comment: One mistake, however, came in the early "Let My Kingdom Come" posters, which led to a backlash, especially from far-right voters and the Church.) However, the "Pisti Kovacs" ad series proved, far and away, to be the SZDSZ's best mobilizing tool. That strategy presented the party's "youngest member," five-year-old Kovacs

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Pisti, as the future of Hungary. Young Pisti appeared in Internet video files, on billboards and in flyers across the county. Voters were encouraged to "become Kovacs Pisti's friend" by providing contact information at the SZDSZ website. Despite limited finances, SZDSZ's coordinated media efforts created a positive, residual message that saturated Hungary for ninety days prior to the election.

Comment: Will SZDSZ's Strategy Pay Off?

15. (SBU) With the April 23 second round looming on the horizon, the SZDSZ must now mobilize its voters to return to the polls and support the MSZP-SZDSZ coalition. Though FIDESZ faces an uphill battle to win 75 of 110 open mandates against a stacked field of MSZP, SZDSZ and MDF supporters, all publicly denouncing Orban and the conservatives, low voter turnout by coalition supporters in the second round could allow Orban to regain lost ground. Gyurcsany and Kuncze will continue to appear together publicly to rally support for the coalition's candidates in key races. At first glance, SZDSZ appears to have given much away by withdrawing from so many races. However, if the coalition is successful, the real bargaining will begin after the second round. SZDSZ will no doubt demand a few high-profile ministry positions, as well as significant concessions in mayoral races, in exchange for their support. For now, the immediate focus is on defeating Orban and FIDESZ, which is probable, but not guaranteed at this point.

16. (U) Visit Embassy Budapest's classified website:
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